

AGENDA
HOUSE HEALTH & WELFARE COMMITTEE
9:00 A.M.
Room EW20
Tuesday, January 08, 2013

SUBJECT	DESCRIPTION	PRESENTER
	Organizational Meeting	

COMMITTEE MEMBERS

Chairman Wood(27)

Vice Chairman Perry

Rep Hancey

Rep Henderson

Rep Hixon

Rep Malek

Rep Morse

Rep Romrell

Rep Vander Woude

Rep Rusche

Rep Chew

COMMITTEE SECRETARY

Irene Moore

Room: EW14

Phone: 332-1138

email: hhel@house.idaho.gov

MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE: Tuesday, January 08, 2013
TIME: 9:00 A.M.
PLACE: Room EW20
MEMBERS: Chairman Wood(27), Vice Chairman Perry, Representatives Hancey, Henderson, Hixon, Malek, Morse, Romrell, Vander Woude, Rusche, Chew
**ABSENT/
EXCUSED:** None.
GUESTS: Peter Shearer, Freedom Foundation, and Tony Smith, Benton Ellis.

Chairman Wood(27) called the meeting to order at 9:00 a.m.

Chairman Wood(27) welcomed the committee members, introduced the page, Rebekah Ritthaler, and invited each member to talk briefly about his/her background.

Chairman Wood(27) explained that the committee would be using parliamentary procedures during meetings and debate, instructed the committee on some of the basics, and asked that each member study and become familiar with the process. He indicated that respect during emotional testimony was paramount, and that parliamentary procedure is an important tool in maintaining that respect.

He stressed that homework is necessary and required to be effective and successful in this committee, and the need to address questions to sponsors or presenters prior to meetings. He also talked about the intent of print hearings, their duration, sidebar conversation parameters, silencing cell phones, and keeping texting to a minimum. Agendas and legislation will be distributed electronically, except for RS'. **Chairman Wood(27)** explained why members must be present and in their seats to vote on a bill.

Chairman Wood(27) advised that the legislation introduction cut off date is March 1st. Speaker permission will be required for any introductions after that date and only legislation within the committee's purview will be heard.

He briefly discussed constituent-relations protocol. **Rep. Rusche** shared his experience and offered his help in directing issues to agencies.

The next two meetings will include presentations to help new members understand the function of the Department of Health & Welfare (DHW) and the various rules up for review. **Chairman Wood(27)** advised that the normal rule review subcommittee model has been temporarily removed to allow for the new members.

Chairman Wood(27) invited the Committee Secretary, **Irene Moore**, to discuss the committee folder layout, procedures for handouts, and additional help she provides to committee members.

Chairman Wood(27) then advised the committee that he will be discussing any RS' with it's sponsor prior to acceptance by the committee.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 9:45 a.m.

Representative Wood(27)
Chair

Irene Moore
Secretary

AMENDED AGENDA #1
HOUSE HEALTH & WELFARE COMMITTEE
9:00 A.M.
Room EW20
Wednesday, January 09, 2013

SUBJECT	DESCRIPTION	PRESENTER
	<u>Department of Health & Welfare 101</u>	
	Department Overview	Dick Armstrong, Director
	Welfare	Russ Barron, Administrator
	Behavioral Health	Ross Edmunds, Administrator
	Family and Community Services	Rob Luce, Administrator
	Public Health	Elke Shaw-Tulloch, Administrator and Public Health Official
	Licensing and Certification	Tamara Prisock, Administrator
	Medicaid	Paul Leary, Administrator and State Medicaid Director

COMMITTEE MEMBERS

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Vice Chairman Perry
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Rep Chew

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MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE: Wednesday, January 09, 2013
TIME: 9:00 A.M.
PLACE: Room EW20
MEMBERS: Chairman Wood(27), Vice Chairman Perry, Representatives Hancey, Henderson, Hixon, Malek, Morse, Romrell, Vander Woude, Rusche, Chew
ABSENT/EXCUSED: None.
GUESTS: Mike Skelter, All Seasons; Chris Hahn, Dieuwerke Disney-Spencer, Elke Shaw-Tulloch, Traci Berresh, Wayne Denny, Brian Baldwin, Jodi Osborn, Steve Bellomy, Department of Health & Welfare (DHW); Stacey Satterleer, American Cancer Society Career Action Network; Chris Gee, Mike Diterlyde, Andrea Rasmiu, Ginger Kreiter, Shara Soon, Head Start; Kristy Sternes, Rep. Labrador Office; Colby Cameron, Sullivan & Reberger.

Chairman Wood(27) called the meeting to order at 9:00 a.m.

Dick Armstrong, Director, DHW, presented to the committee. He stated that the DHW has three segments dividing the ten departmental divisions. Citizen service access can be through Medicaid, family and community services, welfare, public health, or licensing and certification. Of the DHW's \$2.52 B in appropriations, 65.1% (\$1.64 B) is from federal funding, 24.5% (\$617.3M) is from the state general fund, 7.9% (\$199.8 M) is from billing receipts, and 2.5% (\$63.4 M) is from dedicated funds. Of the total appropriation, 86.2% (\$2.17 B) covers benefits for Idaho citizens, with the remainder split between operating and personnel expenses. Medicaid is the largest divisional expense, with a total 2014 recommendation of \$2.52 B. Two independent programs are the Special Needs Assistance Program (SNAPS), which is federally funded, and the enforcement of the Child Support Program, which annually transfers approximately \$2 M between parents via enforcement transactions.

Russ Barron, Administrator, DHW Division of Welfare, described their self-reliance programs. He said that of their \$143.5 M budget, which is 5.7% of the DHW total budget, 55% goes towards benefits. 70% of their budget is federal funding, determining their program rules and requiring compliance to protect the funding. Mr. Barron explained that six of their ten programs are handled by state employees and the remaining four are contracted management services. He stated that assistance programs have different rules and requirements due to federal input; however, the state-run programs have more flexibility.

Challenges include those pertaining to workloads, federal Medicaid compliance, and the single-day issuance of food stamps. Through the use of temporary staffing, tandem employment training programs, and private grants, they are addressing the workforce demands. The food stamp plan will be changed to a ten-day issuance in 2014.

Ross Edmunds, Administrator, Division of Behavioral Health, stated that his division handles mental health, psychiatric hospitalization and substance abuse. They serve twenty-five thousand people a year through seven state regions. He discussed the need for local input and influence, integrated treatment, clearly defined roles and responsibilities, maximum efficiency with measurable maximum effectiveness, and recovery-oriented consumer driven programs.

Access to behavioral health services is expected to improve with the increase of individuals with insurance coverage that includes behavior health benefits. Changes to Title 39 Chapter 31, Idaho Code are also expected to add to the transformation effort. Division challenges include the evolution of the overall system, Idaho's high suicide rate, and continued work on a seamless care system between corrections and community.

Rob Luce, Administrator, Division of Family and Community Services (FACS), stated that their statutory obligations include child protection, foster care, adoption, 2-1-1 CareLine, individuals with developmental disabilities (DD), the Indian Child Welfare Act, and interstate compact. Mr. Luce talked about the Child Welfare Program, the Service Integration Program, and the Individuals with DD Program. In 2012, the Child Welfare Program was ranked #1 in the United States and has the smallest expenditure of any state.

Mr. Luce stated that the most common myth is that the department takes kids into their care. He stressed that before any child can be placed with the DHW, law enforcement must determine imminent endangerment and a court hearing must determine abuse, abandonment or neglect. He said that the emotional drain faced by their staff poses a serious ongoing challenge.

Elke Shaw-Tulloch, Administrator, Division of Public Health, stated that her division addresses population health through targeted efforts promoting healthy lifestyles and prevention activities. Their \$105.3 M 2014 budget is distributed to the community through contracts to local health districts, hospitals, universities and private partners. Challenges being addressed on an ongoing basis include disease detection and response, the changing role with health care reform, and shifting to electronic data sharing.

Tamara Prisock, Administrator, Division of Licensing and Certification, described the creation and purpose of her division. She said they insure compliance with applicable federal and state statutes and rules, while promoting individual rights, well being, safety, dignity, and the highest level of functional independence. They survey, inspect, license, and certify thirteen types of health facilities to receive medicare/medicaid payments within state compliance. Their current challenges include modernization of business processes, retention of registered nurses as surveyors, and balancing enforcement with education.

Responding to questions, **Director Armstrong** stated that staff reductions occurred at the Southwest Idaho Treatment Center (SWITC) with no loss of effectiveness when the number of patients decreased. Other staff reductions have resulted in improved automation and productivity. **Ross Edmunds** explained that data is maintained on a community level with no regional collection process at this time. He will look at other state models to find a method of collecting the information.

Tamara Prisock said that RN retention is an issue since the recession compression did not decrease the health delivery system growth.

Upon further questions, **Ross Edmunds** stated that, with a smaller array of services, they are serving more people today than during the recession, while experiencing a reduction in the clinical need service population and an increase in medication management individuals. He said that the children's program becomes a challenge if the information from the family results in immediate crisis as the first contact, instead of before it becomes an emergency. Mr. Edmunds emphasized that the move to insurance company service coverage will be a huge improvement and create solutions, especially with community boards and implementation. **Russ Barron** replied that citizenship eligibility is interfaced with Homeland Security.

Director Armstrong responded to a committee question, stating that interagency councils and groups meet regularly, including meetings with the courts for improvement of processes. Additionally, IT councils meet to discuss system inter-operability. It is the DHW policy that they find the best systems to integrate and offer them to other agencies at no charge.

Paul Leary, Administrator, Division of Medicaid, described the history of Medicaid and how it differs from Medicare. He said that each state plan determines the particulars and is the basis for federal financial participation. Subsequent amendments must be reviewed and approved by the federal government. Waivers allow expansion of coverage, provision of services not otherwise offered, expansion of home and community services, and beneficiary required managed care enrollment. Idaho waivers are the Aged and Disabled (A&D) Waiver, DD Waiver, Assertive Community Treatment team (ACT) Early and Children DD Waiver, the 1115 Demonstration Waiver, and the 1915b Waiver.

Optional benefits, such as prescription drugs, are expected to change with the Affordable Care Act. **Mr. Leary** described the basic, enhanced and coordinated plans. He said it is a continuing journey to develop basic plans around individual needs. Federal funding is based on the Federal Medical Assistance Program (FMAP). Beyond the FMAP formula, advanced planning projects, such as the Medicaid Management Information System (MMIS) improvement program, can receive higher rates of funding. 96.4% of the annual division funds are spent on participant benefits. He explained that the cost driver dollars are reduced by manufacturer, federal and supplemental rebates.

The Medicaid Division is moving from fee-for-service to outcome-based reimbursement. Exploring alternative models became necessary due to unsustainable growth and cost, economic climate budget pressures, and the potential influx of over 100,000 new eligibles. 2011 legislation directed an improved delivery system, review of managed care options, the move to an accountable system of care with improved outcomes, focus on high cost populations, and inclusion of specific elements.

The Bureau of Developmental Disability Services (BDDS), manages policy for children's and adults' DD services, operations and quality assurance for adult services, collaborates with Family and Community Services (FACS), and oversees eligibility determinations and budget calculations for children and adults. Their goals are full implementation of the Children's Benefit Redesign, school based services, and continued participation in the DD Council Collaborative Work Group.

The Bureau of Long Term Care develops, interprets and communicates policies consistent with current law and executive goals. They administer the various waivers and programs, monitoring quality assurance and coordinating operation and policy implementation. Their initiatives include the A&D Waiver, Idaho Home Choice, and integrating care for dual eligible individuals. Idaho Home Choice, also known as "money follows the person," has moved 64 individuals from institutionalization into the community where they receive better care at less cost.

Additional bureaus are the Bureau of Medical Care, Office of Mental Health and Substance Abuse, Bureau of Financial Operations and the Medicaid System Support Team.

Responding to questions, **Mr. Leary** stated that FMAP is based on the state average income and can fluctuate with economic changes. The formula is set in statute and can only be changed through the federal legislature. The current Idaho rate is 71% federal funds and will increase to 71.64% in the second quarter of 2014 state fiscal year, thus lowering the general fund budget requirement.

Mr. Leary said that a point and quality curve will be seen with managed care process outcomes. Building patient center medical homes saves costs in the long term and is most effective with chronic conditions. Models must include patient compliance and personal health care responsibility, which becomes an issue.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 10:54 a.m.

Representative Wood(27)
Chair

Irene Moore
Secretary

AGENDA
HOUSE HEALTH & WELFARE COMMITTEE
9:00 A.M.
Room EW20
Thursday, January 10, 2013

SUBJECT	DESCRIPTION	PRESENTER
	Rules & Regulations 101	Dennis Stevenson, Administrative Rules Coordinator
	<u>Board of Pharmacy</u>	
<u>27-0101-1201</u>	Waivers and Licensing Rule Update	Mark Johnston, R.Ph., Executive Director, Board of Pharmacy
<u>27-0101-1202</u>	Student Pharmacists and Technician Registrations Rule Re-write	
<u>27-0101-1203</u>	ADS Systems Rule Update	
<u>27-0101-1204</u>	Pharmacist Practice Limitations	

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

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Vice Chairman Perry
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Rep Hixon
Rep Malek

Rep Morse
Rep Romrell
Rep Vander Woude
Rep Rusche
Rep Chew

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MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE: Thursday, January 10, 2013

TIME: 9:00 A.M.

PLACE: Room EW20

MEMBERS: Chairman Wood(27), Vice Chairman Perry, Representatives Hancey, Henderson, Hixon, Malek, Morse, Romrell, Vander Woude, Rusche, Chew

**ABSENT/
EXCUSED:** Representative Vander Woude

GUESTS: Carol Youtz, Board of Veterinary Medicine; Erik Makush, Idaho Freedom Foundation; Mark Johnston, Board of Pharmacy; Matt Keenan, Idaho Reporter; Colby Cameron, Sullivan & Reberger; Dennis Stevenson, Department of Administration; Kent Abz, Board of Accounting; Jared Tatro, Legislative Services Office; Kate Haas, Kestrel West; Pam Eaton, Idaho Retailers Association and Idaho State Pharmacy Association.

MOTION: **Chairman Wood(27)** called the meeting to order at 9:01 a.m.

Rep. Malek made a motion to approve the minutes of the January 8, 2013 meeting.
Motion carried by voice vote.

Dennis Stevenson, Administrator Rules Coordinator, Department of Administration, Executive Branch, presented a summary of the rules review process. The promulgation of rules through the state agencies allows legislators to pass broad legislation, which differs from other state legislatures and keeps the agencies on track to follow the intent of the law. He summarized the different types of rules: Temporary, Final, Pending, and Fee. He added that once a docket is reviewed and accepted, the rule is in effect; however, the committee can reject, amend, and modify any rule before them. He cautioned that changing verbiage is not prudent since it may bring the rule before the Supreme Court. Mr. Stevenson explained the use of the concurrent and omnibus resolutions.

DOCKET NO. 27-0101-1201: **Mark Johnston**, Executive Director, Board of Pharmacy, Pharmacist. After giving a brief history of the Board of Pharmacy and its purpose, Mr. Johnston presented **Docket No. 27-0101-1201**, which moves the equal protection waiver parameter from criteria to content, clarifies the thirty educational hours required for reinstatement, and changes the parental add mixture to sterile products. References to two 2012 statutes, which create rule exemptions, are now included and confusing language has been clarified.

Responding to questions, **Mr. Johnston**, stated that parental add mixture and sterile products are the adding of one substance to another, typically done when making intravenous (IV) sterile products, and now extends the rule to other sterile products, like eye medicine. Mr. Johnston stated that he knew of no opposition to this Pending Rule.

For the record, no one indicated their desire to testify.

MOTION: **Rep. Rusche** made a motion to approve **Docket No. 27-0101-1201**. **Motion carried by voice vote.**

**DOCKET NO.
27-0101-1202:**

Mark Johnston presented **Docket No. 27-0101-1202**, which incorporates the FDA Green Book of veterinary exchanges. Additionally, licensing and registration documents change to retrievable from displayed, student pharmacist and tech-in-training registration and cancellation is clarified, brand only designation is expanded, and registered pharmacist (RPH) initials are required on dispensing and admixture preparation. Inclusions are correction facilities to the institutional facility definition, hospital directors to the controlled substance (CS) annual inventory, and over-the-counter (OTC) drugs to the drug storage section. The written protocol for returned drugs to pharmacies is added back into the rules, as is the mail order pharmacy required toll free number hours of operation.

Separate phone line and solid core or metal door grandfather clauses are added. A thirty-day allowance for the replacement of a pharmacist in charge (PIC) or pharmacy director, with an exception for new pharmacies is added. Revisions are made to allow non-institutional RPh breaks only if a tech or student pharmacist remains on duty, and public notification of any change in hours. The substitution process formulary system in closed door situations is clarified that neither prescriber nor patient approval is needed. Other changes allow correctional facility delivery authorization, pharmacist in charge report inclusion of hospital directors, and definition of emergency room registered nurse (RN) dispensing parameters.

Responding to committee questions, **Mr. Johnston** stated that substitution references include generic selection instructed by the orange and green books, with formulary substitution by hospitals and nursing homes where a committee agrees upon and continues to review the case. With the rule change, a physician can mandate dispensing of a brand name, without the previously strict terminology requirement. Mr. Johnston said that a mandate for written protocols was added for drug returns. He clarified that extern registration is upon school enrollment, and could be prior to the start of the school session. The student pharmacist designation applies to externs or interns and is used when differentiation is not required. The grandfather door clause protects the small business owner from an immediate update cost. The Board of Veterinary Medicine is okay with the changes in the docket and the Idaho Retail Association was involved in the changes.

For the record, no one indicated their desire to testify.

MOTION:

Vice Chairman Perry made a motion to approve **Docket 27-0101-1202**. **Motion carried by voice vote.**

**DOCKET NO.
27-0101-1203:**

Mark Johnston presented **Docket No. 27-0101-1203**. This legislation updates the automated dispensing and storage (ADS) systems to include oversight to designee by prescriber, PIC or director, RN stocking of ADS machines with scan bar technology, pharmacist review, and loading of temperature sensitive drugs. There are new exceptions to the drug removal pharmacist review in institutional facilities. Controlled substances (CS) are added to the wasted drug section, parameters of drug returns to institutional ADS machines, and self-service system ADS machines in practitioner offices and emergency rooms is expanded.

Chairman Wood(27) requested that an update of the self-service system pilot project be presented to the committee during the 2014 legislative session.

Mark Johnston responded to committee questions by stating that the self-service medication is electronically prescribed and transmitted to the machine using a 24-hour voucher that the patient inserts along with a credit card payment. Dispensing occurs upon phone contact to the pharmacist facility. Only prepackaged drugs are allowed in the machine and InstaMed, the repackaging source, is registered with the FDA. The InstaMed machines scan the packages to dispense, which are loaded differently than the slot-style equipment. The machines are used only in situations where no other pharmacist is on duty in the community and is at the request of the hospitals, who are the only late-night provider. Medications dispensed are for immediate therapeutic needs only, with the exception of a full course of antibiotic therapy.

For the record, no one indicated their desire to testify.

MOTION: **Rep. Chew** made a motion to approve **Docket 27-0101-1203. Motion carried by voice vote.**

DOCKET NO. 27-0101-1204: **Mark Johnston** presented **Docket No. 27-0101-1204**, which specifies that an RPh cannot practice medicine or conduct physical examination, can order lab tests, and allows substitution in the event of a drug shortage, with an equivalent amount of the drug dispensed.

For the record, no one indicated their desire to testify.

MOTION: **Rep. Hixson** made a motion to approve **Docket 27-0101-1204. Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 10:15 a.m.

Representative Wood(27)
Chair

Irene Moore
Secretary

AGENDA
HOUSE HEALTH & WELFARE COMMITTEE
9:00 A.M.
Room EW20
Monday, January 14, 2013

SUBJECT	DESCRIPTION	PRESENTER
16-0506-1201	Criminal History and Background Checks	Fernando Castro, Program Supervisor
	<u>Board of Medicine</u>	
22-0102-1201	Registration Rules for Externs, Interns, and Residents	Nancy Kerr, Executive Director, Idaho Board of Medicine
22-0103-1201	Licensure of Physician Assistants	
22-0113-1201	Licensure of Dietitians	
	<u>Bureau of Occupational Licenses</u>	
24-2301-1201	Speech and Hearing Services Licensure Board	Roger Hales, Administrative Attorney, Bureau of Occupational Licenses
24-2701-1201	Idaho State Board of Massage Therapy	

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

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Vice Chairman Perry
Rep Hancey
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Rep Morse
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COMMITTEE SECRETARY

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MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE: Monday, January 14, 2013

TIME: 9:00 A.M.

PLACE: Room EW20

MEMBERS: Chairman Wood(27), Vice Chairman Perry, Representatives Hancey, Henderson, Hixon, Malek, Morse, Romrell, Vander Woude, Rusche, Chew

**ABSENT/
EXCUSED:** Representative(s) Henderson

GUESTS: Nancy Kerr, Mary Leonard, Board of Medicine; Parrish Miller, Idaho Freedom Foundation; Dawn Peck, Idaho State Police; Dennis Bell, Speech & Hearing Services; Tana Cory, Occupational Licenses; Fernando Castro, Steve Bellomy, Bev Barr, Department of Health & Welfare (DHW); Gayla Nickel, Board of Massage; Roger Hales, Board of Massage & Speech & Hearing Services; Cherie Simpson, Hille Newton, Linda Goff, Occupational Licenses; Matthew Keenan, Idaho Reporter; Tony Smith, Northwest Career Colleges Federation; Brad Hunt, Department of Administration; Suzanne Budge, Suzie Lindbert, American Massage Therapists Association (AMTA).

Chairman Wood(27) called the meeting to order at 9:00 a.m.

MOTION: **Vice Chairman Perry** made a motion to approve the minutes of January 9, 2013.
Motion carried by voice vote.

DOCKET NO. 16-0506-1201: **Fernando Castro**, Program Supervisor, DHW Criminal History Unit, presented **Docket No. 16-0506-1201**. This legislation increases the fee for criminal history and background checks to \$70. Services are provided to a variety of DHW programs and requires fingerprint submission to the Federal Bureau of Investigation (FBI) before submission to the Idaho State Police (ISP). The ISP has increased their portion of the cost from \$15 to \$25; however, a discount has been negotiated with a phase in of the fee increase.

Answering committee questions, **Mr. Castro** said that background checks are used for screening employees and providers of direct patient services as defined in regulations. Of the proposed fee, \$34 is paid to ISP and includes \$17.50 for FBI costs. The \$36 balance would go to operating cost of the DHW Criminal History Unit.

Dawn Peck, Idaho State Police, chose not to testify. For the record, no one else indicated their desire to testify.

MOTION: **Rep. Chew** made a motion to approve **Docket No. 16-0506-1201**. **Motion carried by voice vote.**

DOCKET NO. 22-0102-1201: **Nancy Kerr**, Executive Director, Idaho Board of Medicine, presented **Docket No. 22-0102-1201**, a Fee Rule that eliminates copies of documents. It also clarifies accrediting agencies, status of both students and post graduate trainees, and allows the Board to charge renewal and registration fees. Additional changes align with the FBI requirements for background checks, malpractice proceedings, and adverse actions.

Ms. Kerr stated that residents become licensed after their first year of training, so there would be no renewal fee for them; however, if on an extended training program, a renewal fee would be required. There is no intern or extern fee requirement. Idaho requires licensure after one year. Since residents can extend their training programs, the change to a three year registration helps keep track of them. Disclosure goes to the integrity of the applicant, can be part of discovery after an application is received, and can lead to refusal of the application or monitoring during training.

For the record, no one indicated their desire to testify.

MOTION: **Rep. Malek** made a motion to approve **Docket No. 22-0102-1201. Motion carried by voice vote.**

DOCKET NO. 22-0103-1201: **Nancy Kerr**, presented **Docket No. 22-0103-1201**, legislation that provides temporary licensing for applicants awaiting criminal background checks. It clarifies nonrefundable fees, fee range, application cancellation parameters and when a new application is required.

MOTION: **Rep. Rusche** made a motion to approve **Docket No. 22-0103-1201.**

Responding to questions, **Ms. Kerr** stated that the time lapses between application receipt and background check results varied from two to eight weeks. The temporary license allows practice to begin with physician supervision, during the interim. Upon receipt of the results, it becomes a permanent license application and there is no renewal of the temporary license.

For the record, no one indicated their desire to testify.

VOTE ON MOTION: **Chairman Wood(27)** called for a vote on the motion to approve **Docket No. 22-0103-1201. Motion carried by voice vote.**

DOCKET NO. 22-0113-1201: **Nancy Kerr**, presented **Docket No. 22-0113-1201**, a Fee Rule which updates the Board's web and E-mail addresses, severability provisions, clarification of the grounds for discipline, and establishes the application renewal and license reinstatement fee.

Ms. Kerr replied to committee questions by saying that the disciplinary additions are consistent with all professions licensed by the Board and the new fee range is a money saving feature for the Board, allowing fees without annual legislative modifications.

For the record, no one indicated their desire to testify.

MOTION: **Rep. Romrell** made a motion to approve **Docket No. 22-0113-1201. Motion carried by voice vote.**

DOCKET NO. 24-2301-1201: **Roger Hales**, Administrative Attorney, Bureau of Occupational Licenses, On Behalf of the Speech and Hearing Licenses Board, presented **Docket No. 24-2301-1201**, legislation for inactive licenses, including licensees who desire time off, with a reduced fee and a suspended continuing educational obligation while inactive. It also clarifies post graduate and permit requirements for speech pathologists.

For the record, no one indicated their desire to testify.

MOTION: **Rep. Rusche** made a motion to approve **Docket No. 24-2301-1201. Motion carried by voice vote.**

**DOCKET NO.
24-2701-1201:**

Roger Hales, on behalf of the Idaho State Board of Massage Therapy, presented **Docket No. 24-2701-1201**, giving a brief history of the newly established Board. Licensure is required by July 1, 2013, so this legislation sets forth license fees, qualifications, and other professional requirements. This Rule provides legal authority, standard rules consistent with other professions, definitions as set forth in the law, direction for update of records, Board organization and operation, and specifies the Bureau of Occupational Licenses as agent. Fees include a \$50 initial fee, \$75 original licence fee, and a \$75 annual renewal fee. The estimate is 1,000 potential licensees, with anticipated revenue from the first licensing process to be sufficient for incurred expenses and continued operation funding.

This Rule also includes original license requirements, education and exam requirements, grandfathering parameters, processing applications with criminal convictions, licensure by endorsement from another state, renewal on birth date, license lapses, continuing education 6 hour annual parameters, renewal or reinstatement of license, revocation and suspension of license maximum \$1,000 fine with legal costs and fees recovery. The code of ethics is in alignment with the National Massage Therapy Association standards of professional practice. Other standards include file retention, advertising, and disclosures of fees and financial arrangements. The stipulated twelve-month waiting period for personal relationships with clients was contentious, with the majority desiring less time than the national six-month waiting period. The Board chose twelve months to send a clear message of the inappropriateness of such a relationship.

In response to questions, **Mr. Hales** clarified that the initial application fee would be \$125, and the \$125,000 projected fee set up income is based on 1,000 applications, generating funds to cover a \$30,000 deficit balance and initial application processing costs. Licenses will be issued for twelve months or longer, depending on birth date. The educational specification and grandfathering provisions are a mix to provide flexibility to practitioners with skills evidence.

Tony Smith, NW Career College Federation, testified in **support of Docket No. 24-2701-1201**, with the exception of the 500-hour licensure requirement, which is a compromise from the 600 hours they would prefer. In answer to a question, Mr. Smith stated that the increase to 600 hours would provide better public safety and a better educated workforce.

Suzie Lindberg, President, AMTA Idaho Chapter, testified in **support of Docket No. 24-2701-1201**, stating that the 500 hours is a national standard, and, even though some Northwest states are higher, this entry level meets the needs of local practitioners.

MOTION:

Vice Chairman Perry made a motion to approve **Docket No. 24-2701-1201**.
Motion carried by voice vote.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 10:11 a.m.

Representative Wood(27)
Chair

Irene Moore
Secretary

AMENDED AGENDA #1
HOUSE HEALTH & WELFARE COMMITTEE
9:00 A.M.
Room EW20
Tuesday, January 15, 2013

SUBJECT	DESCRIPTION	PRESENTER
	<u>Bureau of Occupational Licenses</u>	Roger Hales, Administrative Attorney, Bureau of Occupational Licenses
<u>24-0601-1201</u>	Licensure of Occupational Therapists and Occupational Therapy Assistants	
<u>24-1001-1201</u>	State Board of Optometry	
<u>24-1201-1201</u>	State Board of Psychologist Examiners	
<u>24-1401-1201</u>	State Board of Social Work Examiners	
<u>24-1501-1201</u>	Licensing Board of Professional Counselors and Marriage and Family Therapists	
<u>24-1701-1201</u>	State Board of Acupuncture	

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

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Rep Malek

Rep Morse
Rep Romrell
Rep Vander Woude
Rep Rusche
Rep Chew

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Room: EW14
Phone: 332-1138
email: hhel@house.idaho.gov

MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE: Tuesday, January 15, 2013

TIME: 9:00 A.M.

PLACE: Room EW20

MEMBERS: Chairman Wood(27), Vice Chairman Perry, Representatives Hancey, Henderson, Hixon, Malek, Morse, Romrell, Vander Woude, Rusche, Chew

**ABSENT/
EXCUSED:** None.

GUESTS: Tana Cory, Roger Hales, Board of Occupational Licenses; Greg Dickerson, Human Supports; Kristin Magruder, Occupational Therapists Board; Piper Field, Licensing Board Counselors; Robert Payne, Board of Social Worker Examiners; Tony Smith, Larry Benton, Association of Idaho Optometrists; Heidi Low, Ritter Public Relations; Ed Haugh, Department of Administration.

Vice Chairman Perry called the meeting to order at 9:00 a.m.

MOTION: **Rep. Malek** made a motion to approve the minutes for January 10, 2013. **Motion carried by voice vote.**

Tana Cory, Bureau Chief, Board of Occupational Licenses, shared a brief history of the Board and how it serves the specialty boards on a day-to-day basis with administrative support, legal counsel, and investigative services. Specialty board funding is from a dedicated fund based on past annual funding needs. Appropriation data is updated monthly on their website. Status reviews identify possible Fee Rule changes. Investigations and inspections are conducted on behalf of several of their independent boards.

Responding to committee questions, **Ms. Cory** said that each board's meeting frequency is set in statute, with additional meetings or conference calls set as needed for application review. A board meeting annually may be minimizing costs, but they hold conference calls for applications. Investigators have been hired to handle the increased inspections and backlog caused by the addition of two new boards and the cosmetology establishment growth.

DOCKET NO. 24-0601-1201: **Roger Hales**, Administrative Attorney, Bureau of Occupational Licenses, on behalf of the Occupational Therapy Board, presented **Docket No. 24-0601-1201**, which updates the continuing education requirements, and clarifies that close supervision provides daily direction with different options, depending on the individual's level of education and experience.

MOTION: **Rep. Morse** made a motion to approve **Docket No. 24-0601-1201**.

For the record, no one indicated their desire to testify.

VOTE ON MOTION: **Vice Chairman Perry** called for a vote on the motion to approve **Docket No. 24-0601-1201**. **Motion carried by voice vote.**

**DOCKET NO.
24-1001-1201:**

Roger Hales, on behalf of the State Board of Optometry, presented **Docket No. 24-1001-1201**, legislation to standardize board meeting specifications, remove an outdated address, with updates and clarifications to ocular treatment, the exam passing grade requirements, accrediting body name, electronic verification, patient information confidentiality, minors with lawful agents, FDA regulations, standards of professionalism, competency requirements, prescription requirements for spectacles and contact lenses, current practices terminology, dispensing specifications, procedure eligibility, Health Insurance Portability and Accountability Act (HIPAA) compliance, deposited funds account information, and CPR certification and exams.

In response to questions, **Mr. Hales** said that the passing grade for the regular exam is determined by the National Board of Examiners in Optometry Association; however, the jurisprudence exam originates with the State Board of Optometry, who determines the passing grade. The Rule specifies that expired contact lens prescriptions must be valid; however, in an emergency situation it is up to the provider and patient to work out the situation.

Larry Benton, Principal, Benton Ellis & Associates, testified on behalf of the Association of Idaho Optometrists, in **support of Docket No. 24-1001-1201**, stating that they participated in the rule making process and are supportive of the long overdue improvements to properly regulate and oversee this profession on a statewide basis. Idaho has 354 eye care physicians, with 297 are licensed optometrists and resident eye care providers. He encouraged the committee approval of these rules to help the Board protect public safety while regulating the profession of optometry in Idaho.

MOTION:

Rep. Rusche made a motion to approve **Docket No. 24-1001-1201. Motion carried by voice vote.**

**DOCKET NO.
24-1201-1201:**

Roger Hales, on behalf of the State Board of Psychologist Examiners, presented **Docket No. 24-1201-1201**, legislation that clarifies and provides flexibility to continuing education. The requirement that continuing education be from a specific entity list has been removed to allow for non-listed sources, providing a six-hour limitation for those outside of the listed providers. Teleconferencing use for continuing education from the entity list is unlimited and limited to six hours if not listed.

Mr. Hales answered a question, stating that 12 hours of continuing education is required annually.

For the record, no one indicated their desire to testify.

MOTION:

Rep. Morse made a motion to approve **Docket No. 24-1201-1201. Motion carried by voice vote.**

**DOCKET NO.
24-1401-1201:**

Roger Hales, on behalf of the State Board of Social Work Examiners, presented **Docket No. 24-1401-1201**, which adds a new definition to the prohibition of client relationships, and clarifies the bachelor, master, and clinical social worker license types. Additional updates include the independent practice definition, separation of clinical and independent practices supervision rule, clarification of the Board extension approval, and changes in the independent and clinical social worker sections. The out-of-state supervision was expanded to allow for communication with supervisors when across state line supervision occurs. Supervisor credential renewal was changed to every 5 years, with a grandfathering allowance included. Exemption from the national exam was removed. The code of ethics was updated to include a new definition for relationships with clients and individuals close to clients, including an addition to the dual relationships code of ethics and a documentation requirement. The code of ethics changes direct objectivity to business relationships, including bartering for services.

Mr. Greg Dickerson, Licensed Master Social Worker, Human Supports of Idaho, testified in **opposition to sections of Docket No. 24-1401-1201**, asking the committee to reject Sections 210.02 paragraph b, 210.03 paragraph b and 210.04 paragraph c because of their detrimental effect and ambiguity of interpretation. He stated that there is no reason to depart from the established practice, citing his own situation and his concern that his strong management duties now put his previous clinical services into jeopardy, since the majority occurred prior to the five-year cutoff.

In answer to committee questions, **Mr. Dickerson** stated that one other individual in his company faces the same situation and this is also an issue in rural communities where individuals perform multiple roles in their businesses. Interested stakeholders would be any social workers, National Social Workers (NSW), Idaho Chapter, and the Board of Social Work Examiners. Mr. Dickerson's interpretation is that this legislation applies to current applicants, with no grandfather clause.

Mr. Hales stated that the rule would apply to new applicants submitting a plan of supervision. Under the current rule **Mr. Dickerson's** issue would be facilitated with an extension request.

Robert Pane, Licensed Clinical Social Worker, State Board of Social Work Examiners Member, testified to the committee regarding **Mr. Dickerson's** concerns, stating that there is an extension provision for illness. He said that the Board's choice of the five-year stipulation clarifies the Board's role in insuring competency and protecting Idaho citizens. They recognize that the changing role of social workers requires some of their work be administrative and directive, instead of patient direct. He emphasized that the clinical level of licensure is a choice and the Masters level is the one involved in administrative work. **Mr. Dickerson** has a small agency, with many multiple duties to fulfill, and his current supervision plan isn't affected, since the Rules apply to new applicants.

Replying to additional committee questions, **Mr. Dickerson**, said that acceptance of the Rules as presented will impact the adhoc performance of clinical services as needed. He has found no indication in the Rules that existing plans are exempt from the five-year cap.

Mr. Pane was invited to respond to **Mr. Dickerson's** comments, stating that the Pending Rules do not affect previous decisions and current licenses, so **Mr. Dickerson** is neither grandfathered nor affected. The Board is comprised of social workers at every level of licensure and meets four times a year, with conference calls as necessary. Although public hearings are not held, they discuss Rule changes with professional groups, who contact universities and their membership for feedback. They have received no other comments beyond Mr. Dickerson's. Mr. Pane reiterated that Mr. Dickerson has a current applicant and the new changes would be for new applicants, who provide updates for Board review every six months.

In closing, **Roger Hales** said that applications and plans for supervision are subject to the rules in effect at the time of submission. He stated that the Board sympathizes with **Mr. Dickerson**, although there is a need for the changes.

MOTION:

Rep. Morse made a motion to approve **Docket No. 24-1401-1201**.

For the record, no one else indicated their desire to testify.

**VOTE ON
MOTION:**

Vice Chairman Perry called for a vote on the motion to approve **Docket No. 24-1401-1201**. **Motion carried by voice vote.**

DOCKET NO. 24-1501-1201: **Roger Hales**, on behalf of the Board of Counselors and Marriage and Family Therapists, presented **Docket No. 24-1501-1201**, which adds a new rule to establish a nature of conformed consent. Changes include removal of unnecessary language, update to the code of ethics for family and marriage therapists, revision of guidelines, clarification of the 3,000-hour requirement. The continuing education rule change recognizes hours that include instructors and participants, with a revision to reflect additional supervision discussions.

For the record, no one indicated their desire to testify.

MOTION: **Rep. Morse** made a motion to approve **Docket 24-1501-1201**. **Motion carried by voice vote.**

DOCKET NO. 24-1701-1201 **Roger Hales**, on behalf of the State Board of Acupuncture, presented **Docket No. 24-1701-1201**, legislation that combines the inactive status sections and moves the continuing education requirement to the Continuing Education Rule Section. It also breaks down the continuing education requirements to provide for Asian Theories and the Western Medicine Approach, allowing a one-and-a-half year notice for the required training. Further changes explain categories and clarify course providers. The new code of ethics rules assures up front disclosure of fees and payment information and clarifies the role of nonexempt or unlicensed staff within the office parameters. Changes to advertisement ethics prohibit misleading and fraudulent advertising.

In response to committee questions, **Mr. Hales** stated that the advertising limitations are within government regulation of free speech and are recognized as regulation appropriate areas. He was unclear to what extent Asian Theories and Western Medicine Approaches overlapped. **Rep. Chew** responded to the question of use of diet and exercise, citing her expertise in Asian theories and stating that they are the first line of treatment in the Asian scope of practice.

MOTION: **Rep. Rusche** made a motion to approve **Docket No. 24-1701-1201**.

Larry Benton, Principal, Benton Ellis & Associates, on behalf of the Acupuncture Association, testified in **support of Docket No. 24-1701-1201**, saying that he appreciates professions who govern through their rules to address public safety and advertising issues. There are 197 licensed acupuncturists in Idaho, with 147 resident licensees. The Board's mandatory duty is to protect citizens and he appreciates the legislature allowing them to follow that mandate.

For the record, no one indicated their desire to testify.

VOTE ON MOTION: **Vice Chairman Perry** called for a vote on the motion to approve **Docket No. 24-1701-1201**. **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 10:50 a.m.

Representative Perry
Chair

Irene Moore
Secretary

AGENDA
HOUSE HEALTH & WELFARE COMMITTEE
9:00 A.M.
Room EW20
Wednesday, January 16, 2013

SUBJECT	DESCRIPTION	PRESENTER
	<u>Board of Nursing</u>	Sandra Evans, Executive Director
23-0101-1201	Advanced Practice Registered Nurses Consensus Model	
23-0101-1202	Uniform Licensing Requirements	
	<u>Board of Pharmacy</u>	Mark Johnston, R. Ph. Executive Director
RS21604	Prescription tracking	
RS21637	Pharmacy Board, Provisions Revised	
RS21661	Uniform Controlled Substances	

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Wood(27)
Vice Chairman Perry
Rep Hancey
Rep Henderson
Rep Hixon
Rep Malek

Rep Morse
Rep Romrell
Rep Vander Woude
Rep Rusche
Rep Chew

COMMITTEE SECRETARY

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MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE: Wednesday, January 16, 2013
TIME: 9:00 A.M.
PLACE: Room EW20
MEMBERS: Chairman Wood(27), Vice Chairman Perry, Representatives Hancey, Henderson, Hixon, Malek, Morse, Romrell, Vander Woude, Rusche, Chew
ABSENT/EXCUSED: Representative(s) Malek

GUESTS: Sandra Evans, Board of Nursing; Holly Koole, Idaho Prosecuting Attorneys Association; Mark Johnston, Board of Pharmacy; Ed Hawley, Department of Administration; Lyn Darrington, Idaho Resident; Brody Aston, Lobby Idaho; Elizabeth Criner, Pfizer / Idaho State Dental Association.

Chairman Wood(27) called the meeting to order at 9:00 a.m.

MOTION: **Vice Chairman Perry** made a motion to approve the minutes of the January 14, 2013, meeting. **Motion carried by voice vote.**

DOCKET NO. 23-0101-1201: **Sandra Evans**, Executive Director, Board of Nursing, presented **Docket No. 23-0101-1201**, legislation that aligns definitions and practice descriptions. It also provides the licensure and titles requirements that finalize a national model that standardizes regulation for advanced practice registered nurses.

Responding to questions, **Ms. Evans** stated that previous legislation allows authorized prescriptions to clients without a nurse-patient relationship when it is to the public benefit, such as during an epidemic, and rule changes have allowed for this exception.

For the record, no one indicated their desire to testify.

MOTION: **Rep. Hixon** made a motion to approve **Docket No. 23-0101-1201**. **Motion carried by voice vote.**

DOCKET NO. 23-0101-1202: **Sandra Evans** presented **Docket No. 23-0101-1202**, which corrects inaccurate citations, removes unnecessary language, simplifies wording for clarity, and incorporates United States (U.S.) territorial and state Boards of Nursing agreed upon international nurse licensure requirements.

Ms. Evans stated, in answer to committee questions, that the state or territory base for jurisdiction covers all areas of the U.S., such as the commonwealth of Puerto Rico. Standards for international applicants deal with issues of academic credential equivalency, English proficiency, disciplinary and criminal background review, and the endorsement of an active license.

For the record, no one indicated their desire to testify.

MOTION: **Rep. Morse** made a motion to approve **Docket No. 23-0101-1202**. **Motion carried by voice vote.**

RS 21604: **Mark Johnston**, Executive Director, Board of Pharmacy, presented **RS 21604**, legislation that clarifies that Prescription Monitoring Program (PMP) data for controlled substances can be shared between pharmacists and prescribers on the PMP report. The Board is also working on an E-mail link for certain PMP data availability to other prescribers or pharmacists.

Responding to questions, **Mr. Johnston** explained that no additional funding is required for the E-mail link program since they are using an existing employee and have grant funding, which includes operational expenses.

For the record, no one indicated their desire to testify.

MOTION: **Rep. Rusche** made a motion to introduce **RS 21604. Motion carried by voice vote.**

RS 21637: **Mark Johnston**, presented **RS 21637**, which expands the practice of pharmacy into Idaho and more tightly regulates nonresident drug outlets and pharmacists. This change allows Idaho registered business pharmaceutical entities housed outside the state to conduct prospective drug reviews for rural hospitals in Idaho prior to drug administration, as opposed to the current retrospective process. Tighter regulation of nonresident drug outlets is necessary for determining and addressing potential harm to Idaho citizens. Categories have been expanded to create new registration requirements and set fees for new resident drug outlets, with guidelines for the more effective regulation of pharmacies into Idaho and expanded disciplinary action to include a nonresident drug outlet. Additional changes update terminology, definitions, and releases the Board from duplicative state or federal mandates.

MOTION: **Rep. Chew** made a motion to introduce **RS 21637. Chairman Wood(27)** invoked Rule 38 stating a possible conflict of interest because of his affiliation with a hospital that will be impacted by this legislation. **Motion carried by voice vote.**

RS 21661: **Mark Johnston**, presented **RS 21661**, legislation that incorporates Idaho's substance schedule updates to coincide with the federal schedule and clarifies when substances are actually added to the schedule, eliminating current annual legislation updates of the substance list. Idaho-unique substances are still defined. Additional changes include an update to fines and the inclusion of depressants to listed substances for driving under the influence.

MOTION: **Rep. Rusche** made a motion to introduce **RS 21661. Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 9:36 a.m.

Representative Wood(27)
Chair

Irene Moore
Secretary

AGENDA
HOUSE HEALTH & WELFARE COMMITTEE
9:00 A.M.
Room EW20
Thursday, January 17, 2013

SUBJECT	DESCRIPTION	PRESENTER
<u>16-0309-1101</u>	<u>Medicaid</u> Pharmacy Reimbursement	Sheila Pugatch, Principal Financial Specialist
<u>16-0309-1202</u>	Participant Estate Recovery	Lisa Hettinger, Chief, Bureau of Medicaid Financial Operations
<u>16-0309-1203</u>	Clinical Practice Guideline	Matt Wimmer, Bureau Chief, Medical Care
<u>16-0309-1205</u>	Medical Home Model of Care	Matt Wimmer, Bureau Chief, Medical Care
<u>16-0309-1206</u>	Early Periodic Screening Diagnosis and Treatment Services	David Simnitt, Deputy Administrator
<u>16-0309-1204</u>	Children's Systems Redesign	Art Evans, Bureau Chief, Bureau of Developmental Disabilities Services

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Wood(27)
Vice Chairman Perry
Rep Hancey
Rep Henderson
Rep Hixon
Rep Malek

Rep Morse
Rep Romrell
Rep Vander Woude
Rep Rusche
Rep Chew

COMMITTEE SECRETARY

Irene Moore
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MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE: Thursday, January 17, 2013
TIME: 9:00 A.M.
PLACE: Room EW20
MEMBERS: Chairman Wood(27), Vice Chairman Perry, Representatives Hancey, Henderson, Hixon, Malek, Morse, Romrell, Vander Woude, Rusche, Chew
ABSENT/EXCUSED: Representative(s) Malek and Morse
GUESTS:

Art Evans, Matt Wimmer, Sheila Pugatch, Lisa Hettinger, Division of Medicaid; Shannon Dunston, State Department of Education; Paul Leary, David Simnitt, Bev Barr, Chad Cardwell, Department of Health & Welfare (DHW); Corey Makizuru, Idaho Association of Developmental Disabilities Agencies (DDA); Brody Astow, Lobby Idaho; Tyler Mallard, Risch Pisca; Heidi Low, Ritter Public Relations; Elizabeth Criner, Pfizer / Idaho State Dental Association; Dennis Stevenson, Department of Administration.

Vice Chairman Perry called the meeting to order at 9:01 a.m.

MOTION: **Rep. Rusche** made a motion to approve the minutes of the January 15, 2013, meeting. **Motion carried by voice vote.**

DOCKET NO. 16-0309-1101: **Sheila Pugatch**, Principal Financial Specialist, Division of Medicaid, presented **Docket No. 16-0309-1101**, which changes the calculation for the pharmacy actual acquisition cost (AAC) to a tiered-fee structure. Both the drug cost and dispensing fee information is collected to better reimburse pharmacies for the cost of the drug.

Ms. Pugatch replied to questions, explaining that the previous single dispensing fee was based on an average wholesale price (AWP) plus 12%. The new tiered fee structure takes into consideration rural pharmacies, whose dispensing fees are higher. The revised payment method will result in a general funds savings. The various associations are in agreement with this new system.

For the record, no one indicated their desire to testify.

MOTION: **Rep. Hixon** made a motion to approve **Docket No. 16-0309-1101**. **Motion carried by voice vote.**

DOCKET NO. 16-0309-1202: **Lisa Hettinger**, Bureau Chief, Division of Medicaid Financial Operations, presented **Docket No. 16-0309-1202**, a Pending Rule that is in response to a petition from the Trust and Estate Professionals of Idaho (TEPI) requesting the addition of a new subsection to codify the current practice of not subjecting certain life estates of Medicaid participants to recovery.

Responding to questions, **Ms. Hettinger** defined a life estate as part of an estate owner's planning process to establish that assets are held by a beneficiary during the owner's lifetime. **Mr. Corey Cartwright**, Deputy Attorney Prosecutor, Attorney General's Office, was called upon to describe a life estate, which is a transfer of property to a beneficiary, allowing the owner retention of control, with transfer, upon the owner's death, of the remaining property to the designee as a retained life estate. Life estates established prior to this Rule change are not subject to the new rules.

For the record, no one indicated their desire to testify.

MOTION: **Rep. Romrell** made a motion to approve **Docket No. 16-0309-1202**. **Motion carried by voice vote.**

DOCKET NO. 16-0309-1203: **Matt Wimmer**, Bureau Chief, Medical Care, presented **Docket No. 16-0309-1203**, pertaining to tobacco cessation products for pregnant women and children under the age of twenty-one. The changes align with federal requirements and cover tobacco cessation nicotine replacement therapy and prescription drugs. The decision to use any of these drugs or products is ultimately up to the patient and physician.

Mr. Wimmer, responding to a committee question, stated that the federal regulations require coverage of specific drugs in accordance with the health service guidelines.

MOTION: **Rep. Rusche** made a motion to approve **Docket No. 16-0309-1203**. **Motion carried by voice vote.**

DOCKET NO. 16-0309-1205: **Matt Wimmer**, presented **Docket No. 16-0309-1205**, a Pending Rule for the implementation of Idaho Medicaid Health Homes (Health Home). Health Home providers will be responsible for activities directed towards assisting patients with chronic conditions to achieve better health and engage them in managing their own health care, including the development and implementation of a comprehensive primary care plan. Electronic medical records or other electronic record-keeping methods will be used and they will manage patient care with hospitals, nursing facilities, emergency rooms, and specialist staff. They must also provide extended hours of access to primary care, report progress and performance data, and meet the patient-centered medical home requirements of the National Committee for Quality Assurance.

Mr. Wimmer explained, in answer to questions, that this primary care provider program is for a higher level of chronic diseases and not a hospice program. A new savings to the state is expected and close monitoring with reporting information will be a part of every stage. As part of the Governor's Medical Home Collaborative, this program addresses chronic care conditions by systemically providing across-the-board home health care benefits. Health Connections is a primary care case management program that has been in place since the late 1990's and initially enhanced access to primary care for diabetic patients with a lower level of case management. The Medicaid Health Home Program is a replacement that includes other illnesses with a higher level of case management.

For the record, no one indicated their desire to testify.

MOTION: **Rep. Rusche** made a motion to accept **Docket No. 16-0309-1205**. **Motion carried by voice vote.**

DOCKET NO. 16-0309-1206: **David Simnitt**, Deputy Administrator, DHW, presented **Docket No. 16-0309-1206**, which aligns the general Medical Necessity for Early Periodic Screening Diagnosis and Treatment (EPSDT) definition with the Social Security Act regarding Medicaid-eligible children.

In answer to questions, **Mr. Simnitt** stated that the federal EPSDT defines children as ages zero to twenty-one. He explained that additional service needs can be identified during or outside of the screening process.

For the record, no one indicated their desire to testify.

MOTION: **Rep. Hixon** made a motion to approve **Docket No. 16-0309-1206**. **Motion carried by voice vote.**

**DOCKET NO.
16-0309-1204:**

Art Evans, Bureau Chief, Bureau of Developmental Disabilities Services, Division of Medicaid, presented **Docket No. 16-0309-1204**, a Pending Rule that is a companion docket to the Children's Redesign Rules and school-based benefits. The removal of developmental disabilities (DD) benefits from the State Plan directly impacts the DD services in the school setting, requiring changes to incorporate replacement services to assure appropriate Medicaid developmental services are provided. Specific removals include DDA service references, developmental therapy and intensive behavioral intervention services, and the Idaho Infant Toddler Program. New behavioral intervention and consultation services are being added for school-based services. Additional clarifications are being made to various school based services and processes.

Responding to questions, **Mr. Evans** commented that there were requests to change the physician signature requirement; however, the plan signature requirement prior to implementation and billing assures both medical necessity and physician involvement, which is important in managing the services. Fiscal impact to the general fund indicates negative federal funding because the old system of DD therapy and intervention included skill building services, which are not appropriate to school based settings. The new array makes sure that the services are appropriate and within federal guidelines, so removal of some services with the redesign represents a federal funding loss to the school districts.

For the record, no one indicated their desire to testify.

MOTION:

Rep. Wood(27) made a motion to accept **Docket No. 16-0309-1204**. **Motion carried by voice vote.**

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 9:49 a.m.

Representative Perry
Chair

Irene Moore
Secretary

AGENDA
HOUSE HEALTH & WELFARE COMMITTEE
9:00 A.M.
Room EW20
Friday, January 18, 2013

SUBJECT	DESCRIPTION	PRESENTER
<u>16-0310-1201</u>	<u>Division of Medicaid</u> Provider Rate of Reimbursement	Lisa Hettinger, Chief, Bureau of Medicaid Financial Operations
<u>16-0310-1202</u>	Home and Community-Based Services Waivers	Natalie Peterson, Bureau Chief, Long Term
<u>16-0310-1203</u>	Children's Redesign	Art Evans, Bureau Chief, Bureau of Developmental Disabilities Services
<u>16-0310-1204</u>	Home and Community-Based Services Waivers - Dental Benefits	David Simnitt, Deputy Administrator
<u>16-0310-1205</u>	Behavioral Care Units	Lisa Hettinger, Chief, Bureau of Medicaid Financial Operations

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Wood(27)
Vice Chairman Perry
Rep Hancey
Rep Henderson
Rep Hixon
Rep Malek

Rep Morse
Rep Romrell
Rep Vander Woude
Rep Rusche
Rep Chew

COMMITTEE SECRETARY

Irene Moore
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MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE: Friday, January 18, 2013

TIME: 9:00 A.M.

PLACE: Room EW20

MEMBERS: Chairman Wood(27), Vice Chairman Perry, Representatives Hancey, Henderson, Hixon, Malek, Morse, Romrell, Vander Woude, Rusche, Chew

**ABSENT/
EXCUSED:** Representative(s) Malek

GUESTS: Bill Bankula, Idaho Resident and The Beutler Family; Corey Makizuiu, and Kathryn Hansen, Idaho Association of Developmental Disabilities Agencies (IADDA); Lisa Hettinger, Natalie Peterson, Sheila Pugatch, Art Evans, Division of Medicaid; Angela Lindig, Idaho Parents Unlimited; Carlyann McLaren, and Laura Sandidge, Advocates 4 Inclusion; Cam Gillilam, and Rebecca Fadness, Family & Community Services; Chard Cardwell, Bev Barr, Paul Leary, David Simnitt, Department of Health & Welfare (DHW); Ed Hawley, Department of Administration; Heidi Low, Ritter Public Relations; Jim Baugh, Disability Rights; Elizabeth Criner, Idaho State Dental Association (ISDA); Richelle Tierney, Idaho Resident & Parent.

Chairman Wood(27) called the meeting to order at 9:00 a.m.

MOTION: **Vice Chairman Perry** made a motion to approve the minutes of the January 16, 2013, meeting. **Motion carried by voice vote.**

MOTION: **Rep. Rusche** made a motion to approve the minutes of the January 17, 2013, meeting. **Motion carried by voice vote.**

DOCKET NO. 16-0310-1201: **Lisa Hettinger**, Chief, Division of Medicaid Financial Operations, presented **Docket No. 16-0310-1201**, a Pending Rule for Medicaid Enhanced Plan Benefits that addresses access and quality by creating a legislative presentation process for proposed rate changes for personal care, mental health, developmental disabilities (DD) and service coordination. It outlines how cost surveys are conducted, and the stratification of cost data to ensure proposed rate change efficiency. Federal law requires that reimbursement rates allow eligible participants adequate service access and quality.

Responding to questions, **Ms. Hettinger** stated that the identified triggers and thresholds are both federally prescribed and internal decisions, stating that further action on any complaint will be determined by its nature.

Kathryn Hansen, Executive Director, Community Partnerships of Idaho, on behalf of Vocational Services of Idaho and the IADDA, explained the background of rate increases, the last of which was in 2006. She talked about provider frustration and legal methods used to force rate increases. Ms. Hansen stated that they are concerned with rural access, access report completion time frame clarity, report presentation audience, and resulting actions. She requested follow up on rate study triggers and definition of the quality indicators. Ms. Hansen testified in support of the 100% mandatory participation; however, she expressed concern that smaller agencies would find the time required to complete the survey an issue, leading to disenrollment, and further impacting access.

Responding to questions, **Lisa Hettinger** stated that rate reviews will be done as access of quality concerns arise, with a type of rate based cost survey component scheduled. She remarked that a previous rate survey had a very small sample size that was not representative of the provider community at large. The Pending Rule changes help assure access is not an issue. **Paul Leary**, Administrator, Division of Medicaid, answered a committee question, stating that the Pending Rules are a federal mandate that provider payments are based on an exponential quality of service. **Kathryn Hansen** shared her concern about the implementation of payment rates and the unclear explanation of rate study time frames and triggers, especially in light of existing access issues. Lisa Hettinger stated that access reports indicating an issue will result in an issue determination and rate reimbursement increases. A trigger could be an increase in access complaints. Access measurement will be a baseline year minimum. Access reports are presented to the Legislative Health and Welfare Committees. Ongoing quality measures trigger a rate study prior to critical incidents or participant eligibility problems preceding any critical incident. Since an 85% survey participation could be a skewed example, they are working with providers and provider groups to obtain more information. The survey-regulated data base drives to the provider costs, which are not always reflected in their charges.

Ms. Hettinger replied that they must separate the exact costs of providing services from any profit margin. The proposed cost determination rate includes the cost outline. **Chairman Wood(27)** clarified that federal law states that no program like this is allowed to pay more than 100% of costs, with the exception of critical access hospitals. **Paul Leary** explained that the Administration of Medicaid is under a state plan in alignment with the federal government. Reimbursement methodology is subject to federal approval, which does not historically provide a built-in profit margin, only a supplemental amount to maintain the business and keep the doors open.

Bill Benkula, Idaho Resident, testified that a 2006 study found that DD service providers were paid sixty to eighty percent of costs, with an ten dollar average hourly wage, while the community hourly rates increased. Actual provider costs are an integral part of the rate that cannot be disregarded. Responding to questions, Mr. Benkula stated that he neither supports nor opposes the rules, and is testifying to point out that focus on rate increase follow up is very important.

Paul Leary, responding to questions, stated that the law directs that Medicaid participants will have the same services access as the general public. This includes rural area services, which may be within thirty miles. The mandatory 100% survey participation assures a sample of the whole population, which is critical in order to set a provider reimbursement rate and maintain Medicaid participant access at the appropriate quality level. He stated that the actual payment amount is authorized by the Joint Finance and Appropriations Committee (JFAC), while the House Health and Welfare Committee authorizes the procedural tools to appear before JFAC with rate increases.

MOTION:

Rep. Morse made a motion, with reservation, to approve **Docket No. 16-0310-1201**.

For the record, no one else indicated their desire to testify.

Commenting to the motion, **Rep. Rusche** stated that the real issue is effective appropriation when determining lack of adequacy. The methodology is good only if the Department is listening to what the market is saying. **Chairman Wood(27)** agreed that the rule is about methodology, remarking that the budget committee review is from a different perspective, presented to them once confirmation that it works is evident.

**VOTE ON
MOTION:**

Chairman Wood(27) called for a vote on the motion to approve **Docket No. 16-0310-1201. Motion carried by voice vote. Rep. Rusche** requested that he be recorded as voting **NAY**.

**DOCKET NO.
16-0310-1202:**

Natalie Peterson, Bureau Chief, Long Term, presented **Docket No. 16-0310-1202**, which aligns the administrative rules with federal requirements between the Development Disabilities (DD) and Aged and Disabled (A&D) Waivers.

Bill Benkula, A Twin Falls Community-based Provider, on behalf of the Beutler family, testified regarding **Docket No. 16-0310-1202**, stating his concern surrounding the limitation of services provided to residences lived in or owned by family members, and the environmental modifications required prior to Medicaid qualification. Living in the home prior to modification approval can result in emergency care costs, placing such modifications out of the reach of many awaiting Medicaid participants.

Natalie Peterson responded that the "unless otherwise authorized by the department" statement allows consideration of special circumstances, and provide an appeals process. For participants renting a residence, approval by the owner is a consideration. She stated that equipment can be temporary or permanent modifications. Participants in non-paid family homes may qualify as a certified family home (CFH), which requires accessibility for participants in their care.

Rep. Morse stated that the appraisal definition indicates an archaic Appraisal Institute reference which needs to be amended in the future.

For the record, no one else indicated their desire to testify.

MOTION:

Rep. Rusche made a motion to approve **Docket 16-0310-1202**, with the exception of **Section 703.06 Subsection b**, the requirement that permanent modifications are required to a family-owned residence.

**SUBSTITUTE
MOTION:**

Vice Chairman Perry made a motion to approve **Docket No. 16-0310-1202**, commenting that Section 12 allows for temporary and permanent residential adaptations.

**VOTE ON
SUBSTITUTE
MOTION:**

Chairman Wood(27) called for a vote on the substitute motion to approve **Docket No. 16-0310-1202. Motion carried by voice vote. Representatives Rusche, Chew and Hancey** requested that they be recorded as voting **NAY**.

**DOCKET NO.
16-0310-1203:**

Arthur Evans, Bureau Chief, Bureau of Developmental Disabilities Services, presented **Docket No. 16-0310-1203**, that completes the full transition of the Children's DD System Redesign by removing the Children's DDA services and Children's DD service coordination. Additional changes include the addition of the Infant Toddler Program as a provider for children's DD services, and clarifications to the new Children's System Redesign rules.

Responding to questions, **Mr. Evans** stated that enrollee response to the budget adequacy is quite good; however those who haven't enrolled remain concerned with adequate budgets. He said they would continue reviews to assure adequacy. Mr. Evans indicated that Early Periodic Screen Diagnosis and Treatment (EPSDT) provides a safety net for additional funded services to meet needs not covered by a budget tier.

Kathryn Hansen on behalf of the IADDA, stated their concern that families are being told that habilitative support is only available in community settings, citing examples. Responding to questions, she agreed that their concern is in the implementation, not the rule, with the anticipation that the issues can be resolved.

Paul Leary, responded that discussions continue and the Department is committed to making sure participants get the right service in the right place, with the right outcomes. He said they will improve staff consistency through training.

In response to a committee question, **Kathryn Hansen** stated that since the rollout has just started, they are beginning to learn about issues, many of which may tie into field interpretation.

Angela Lindig, Director, Idaho Parents Unlimited, testified that complaints are surfacing that inconsistent and confusing information is coming from providers and the Department. Themes include not enough rural providers due to noncompetes clauses, along with the availability, inconsistency, and schedule inaccessibility of family-direct classes. Parents are also being told sometimes that they are not qualified to be their child's support broker. Complaints about denials of goods & services which were to be part of the budgets are now surfacing and parents are being told that habilitative supports cannot be done in a center. She requested that notifications be done in a timely, consistent manner, or as promised. Ms. Lindig responded to a question that their concerns were about the adequacy of the budget along with the transition operation and management within the Department.

Marilyn Sword, Executive Director, Idaho Council on DD, described a crisis situation that resulted in acute hospitalization that could have been averted with better information and a local concrete process. She said her clients have been told there are no crises services on the plans, even though a backup plan is required.

Laura Sandidge, Advocates 4 Inclusion, shared that her concerns were the same as mentioned previously with the addition of individual respite accessibility. Additional concerns include certification requirements, and the two different methods of service coordination and case management.

For the record, no one else indicated their desire to testify.

MOTION:

Rep. Romrell made a motion to approve **Docket No. 16-0310-1203**.

Rep. Rusche commented to the motion that he is concerned about the budget adequacy, providers understanding that they can get the necessary services, and the DHW role in helping children receive adequate care in their community.

**VOTE ON
MOTION:**

Chairman Wood(27) called for a vote on the motion to approve **Docket No. 16-0310-1203**. **Motion carried by voice vote.**

**DOCKET NO.
16-0310-1204:**

David Simnitt, Deputy Administrator, Medicaid Division, presented **Docket No. 16-0310-1204**, a Pending Rule that details qualifications for dental services, the specific dental benefits covered, and the requirement and process for prior approval of concurrent skill building services.

Kathryn Hansen, testified to implementation concerns, stating that the dual diagnosis budget has been confusing since the DHW states that the \$900,000 was never removed and is confusing with the statement that they are now available.

David Simnitt commented that the DD and Mental Health (MH) programs budget methodology reviewed the historic span in a variety of services. The original estimation used an historical number of adults receiving services; however, fewer requests than expected have been approved, and those not approved have lacked eligibility information. It is just coming to the Department's attention that there are questions and confusion that needs to be addressed before the budget dollars can be added. Responding to question, Mr. Simnitt stated that the \$900,000 service allocation was based on the estimate number and is impacted by the lower-than-expected amount of requests.

Jim Baugh, Executive Director, Disability Rights of Idaho, testified that individuals who qualify for DD and Psychosocial rehab services also have intellectual disabilities or autism along with mental illness and, requiring support for basic living aspects with specialized coaching and training. DD trainers do not do the specialized coaching and training, so dual diagnosis situations require different providers with different qualifications. When computing their DD budgets, it is more appealing to not reduce items that cover staying in their homes and surviving, rather than request appropriate benefits. This may partially explain the lower request rate and may also indicate a possible future crisis from lack of mental illness services.

In response to a questions, **Mr. Baugh** stated that he is opposed to the rule text which neither requires nor prohibits the Department from using this method, an issue of interpretation and implementation. He said he would like clarification that costs for psychosocial rehabilitative services are not a duplication of DD services and do not come out of DD service budgets.

Rep. Vander Woude commented that testimony has been on the agency review, instead of the rule review. **Chairman Wood(27)** agreed, stating that he authorized implementation to the DHW and chose to allow the testimony to alert the legislature to possible issues.

For the record, no one else indicated their desire to testify.

MOTION: **Rep. Morse** made a motion to approve **Docket No. 16-0310-1204**.

Rep. Hixon commented to the motion that he is in favor of the Pending Rule, but the Department has to try to be all inclusive with the regulated rule process and communicating with stakeholders to curtail the issues mentioned today.

VOTE ON MOTION: **Chairman Wood(27)** called for a vote on the motion to approve **Docket No. 16-0310-1204**. **Motion carried by voice vote.**

DOCKET NO. 16-0310-1205: **Lisa Hettinger**, presented **Docket NO. 16-0310-1205**, which continue existing reimbursement methodology for nursing facilities and intermediate care facilities for the intellectually disabled (ICF/IDs) by changing the cost report year definition. Additional changes establish the authority and criteria to implement Behavioral Care Units and establish their rate structure.

For the record, no one indicated their desire to testify.

MOTION: **Vice Chairman Perry** made a motion to approve **Docket No. 16-0310-1205**. **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 11:22 a.m.

Representative Wood(27)
Chair

Irene Moore
Secretary